

PERS EMPLOYER ADVISORY GROUP MEETING

NOTES

DATE: 7/20/2018

TIME: 10:00AM-12:00PM

PERS HEADQUARTERS

TYPE OF MEETING	PERS EMPLOYER ADVISORY GROUP MEETING
FACILITATOR	Sam Paris
NOTE TAKER	Tamie Johnson
CALL IN NUMBER	(877) 411-9748; participant code: 510922
ATTENDEES	<p>Present: Debra Grabler, Tualatin Valley Fire & Rescue; Jeff White, Marion County; Jennifer Cooperman, City of Portland; Jim Langstraat, Portland Community College; Michelle Morrison, Hillsboro School District; Nancy Brewer, City of Corvallis; Sandra Montoya, City of Woodburn; Trudy Vidal, Department of Administrative Services</p> <p>PERS: Chad Ball; Dean Carson; Debra Hembree; Elaine King; Kevin Olineck; Laurel Galego; Marjorie Taylor; Neil Jones; Sam Paris; Stephanie Vaughn; Yvette Elledge-Rhodes</p> <p>Guests: Caleb Ford, Metro; Carol Samuels, Piper Jaffrey; David Lacy, City of Salem; James Young, Portland Public Schools; Michelle Kunec-North, City of Portland; Michelle Morrison, Hillsboro School District; Rhonda Miller, City of Salem; Samantha Nalnai, City of Salem; Scott Winkels, League of Oregon Cities</p> <p>Phone: Heather Mercer, Western Oregon University; Ron Harker, City of Roseburg;</p>

TIME: 10:00 – 10:05	TOPIC: WELCOME	SAM PARIS
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PURPOSE/GOAL	Introductions
Sam welcomed everyone to the PERS Employer Advisory Group meeting. Sam introduced Tamie Johnson, SORT Admin and Kevin Olineck, PERS Director. Kevin stated his appreciation for the EAG Group and expressed he is looking forward to this meeting. Kevin believes it is beneficial to everyone involved.	

TIME: 10:05 – 10:19	LEGISLATIVE IMPLEMENTATION UPDATE	YVETTE ELLEDGE-RHODES
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PURPOSE/GOAL	Provide the group with an update on SB 1566 and HB 4159
<p>SB 1566: Beginning stages of seeing how we implement as an agency. Currently drafting OARs to implement the School District Unfunded Liability Fund and the Employer Incentive Fund. Actuarial services have recently added a new member to the team, MaryMichelle Sosne, who will be leading the charge on SB1566. As of June board meeting employers can elect a shorter amortization period for qualifying lump-sum payments (\$10 million or more and not borrowed). Actuarial Services can work with the employer to see what different schedules will look like. Preparing to reach out to school districts to find out what amortization period they'd like for the pooled School Districts side account. Shorter than the usual 20 years. Housekeeping on some of the items on original bill, we've asked for cleanup on that in the 2019 session. Dedicated 1566 link on website for up to date implementation information and to sign up for GovDelivery updates. In August, we'll introduce rulemaking to allow employers to reserve the right</p>	

to apply for matching funds on lump-sum deposits made now. Details are outlined on the website. Lump sum payments under that provision won't have any advantage/disadvantage in the application process; just a placeholder. We're not looking at any changes from the 200% UAL-to-payroll threshold for the order in which applications will be considered. Considering ways to stretch the match money out. Legislature gave us a lot of flexibility. The Governor's and our goal is to allow as many employers to benefit from this as possible. We want everyone to have the same advantage. The goal is to provide an incentive for employers to set up side accounts. Eligibility for matching funds and how much it will be we do not know at this time. Once a lump-sum payment is given to PERS, it belongs to PERS Trust. Employers must consider the risk, not having those funds available for your own use. Deadline to apply for match is currently December 31, 2019. Funding doesn't come in until 2021. Proposing to move application deadline until Dec 2022. Will take applications when board decides there are enough matching funds available.

HB 4159: Member Choice- Based on the analysis by Treasury, we are not able to implement as bill was written.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Send any ideas or feedback to the EAG mailbox	EAG	Ongoing

TIME: 10:19 – 10:23 OPSRP IAP FIRST WAGE CLEAN-UP PROJECT UPDATE SAM PARIS

PURPOSE/GOAL	Provide the group with an update on the project
Tool development on hold. Reprioritizing work and allocating resources to get that tool up and running. We are looking at the end of December for release. Delay is due to staff trying to implement Target Date Funds (TDF). TDF is a higher priority to make sure we can do earnings crediting by the end of this year. We are keeping track of impacted retiring members to correct the accounts and create credits from the contingency reserve later. We are currently only correcting accounts that have requested a Data Verification.	

TIME: 10:23 – 10:37 EMPLOYER ACTUARIAL VALUATION REPORTS FEEDBACK DEBRA HEMBREE

PURPOSE/GOAL	Provide the group with an update on the project and gather feedback
Employers are building financial plans off of the advisory rate and using the Employer Rate Projection tool. Prior and current year data is in many sections of the valuation report. If you want more of an analysis, Actuarial Services can help on a one on one basis. Advocate utilizing the resources you have, Team Actuarial Services will certainly assist. When you get your annual report emailed, it comes from Actuarial Services, so just reply to that email and someone will get back to you. Milliman has helped make information more comprehensive. A suggestion was made to add reply to this email in the body of the email itself, so people know where to go to get help. Any thoughts, suggestions, and feedback can be sent to Debra Hembree. Calculation of rate collar, current and previous rates in the employer valuation reports would be helpful. Employers suggested a numerical example of how the rate collar is calculated would be helpful. Better explanation of how the collar applies to transition liability/surplus and side accounts would be helpful. Collars for SLGRP and school districts are calculated at the pool level and shown in detail in the system-wide report. We can do a better job of explaining how it works. Adding a line item showing the rate collar to each employer's rate summary table would help.	

TIME: 10:37-10:46		PERS EMPLOYER INVOICES FEEDBACK		YVETTE ELLEDGE-RHODES	
PURPOSE/GOAL	Provide the group with an update on the project and gather feedback				
<p>Group discussed how items on invoices don't always match, what PERS wants to pull for pension payments vs RHIPA. There is a net difference and then the following month employers are getting invoiced for it. Invoices are complex. It takes some employers dozens of staff hours to find out if they are paying PERS the right amount of money. If PERS can put CSV in EDX, employers would appreciate it. It was suggested to collaborate to create a short-term and long-term strategy. An idea is to perhaps put a work group together to discuss and gather ideas.</p>					
ACTION ITEMS		PERSON RESPONSIBLE		DEADLINE	
PERS will look into a work group to gather information		PERS		10/19/2018	
TIME: 10:46-10:49		EMPLOYER REPORTING SURVEY		ELAINE KING	
PURPOSE/GOAL	Provide the group with an update on the project and gather feedback				
<p>Elaine thanked the employers for their participation; we received great feedback with actionable items. Over 350 responses from people doing PERS reporting, we encourage that. May be looking at doing survey again in different employer roles. We hope to get results of the survey out to employers next month. We want to reduce prior year earnings if possible.</p>					
TIME: 10:49-10:56		UPCOMING EMPLOYER SATISFACTION SURVEY		DEAN CARSON	
PURPOSE/GOAL	Provide the group with information on the project				
<p>Employer Satisfaction surveys coming August 1st. Long-term strategic vision: we recognize employer services need to be more than just employer reporting. Better connect member and employer services. We send survey out via email & in employer newsletter. We rely on employers to send it to staff and to add the right contacts. Anyone who interacts with PERS is encouraged to give their feedback. Required questions we have to ask because of budget and key performance measures, and we want to improve on how helpful the resources are that we provide. We want to know if there are specific topics you want PERS to provide. GovDelivery will send out, and we're hoping for a lot more responses. We have 27,000 contacts. We want to know what employers and members have to say. When we launched GovDelivery last August, we took emails on file, Tier One and Tier Two went to 8,000 contacts; retirees opened emails with 50% open rate. OPSRP sent to 2,500 contacts, with 30% open rate.</p>					
Next Meeting Facilitator: Sam Paris					
Next Meeting Date/Time: October 19, 2018 10:00 AM – 12:00 PM					